

**State of Nevada—Intended Use Plan
for the
Allocation of Drinking Water State Revolving Funds
From
Nevada’s Fiscal Year 2008 Allotment
Under the Safe Drinking Water Act, as Amended in 1996**

Nevada Division of Environmental Protection

Draft

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LIST OF ACRONYMS

BSDW = Bureau of Safe Drinking Water
BWPC = Bureau of Water Pollution Control
CWSRF = Clean Water State Revolving Fund
DBE = Disadvantaged Business Enterprise
DWSRF = Drinking Water State Revolving Fund
EPA = Environmental Protection Agency
FFY = Federal Fiscal Year
GIS = Geographic Information System
IUP = Intended Use Plan
MBE = Minority-owned Business Enterprise
MHI = Median Household Income
NAC = Nevada Administrative Code
NDEP = Nevada Division of Environmental Protection
NRS = Nevada Revised Statute
OSGWA = Other Sensitive Groundwater Areas
PWSS = Public Water System Supervision
RCAC = Rural Community Assistance Corporation
SDWA = Safe Drinking Water Act
SDWIS = Safe Drinking Water Information System
SWA = Source Water Assessment
SWAP = Source Water Assessment Plan
USEPA = United States Environmental Protection Agency
UIC = Underground Injection Control
UICP = Underground Injection Control Program
UNR = University of Nevada Reno
WHP = Wellhead Protection
WBE = Women-owned Business Enterprise

I. INTRODUCTION

A. History and Legislation

The 1996 Amendments to the Safe Drinking Water Act (SDWA) authorized the Drinking Water State Revolving Fund (DWSRF). Nevada's allotment of the Federal fiscal year 2008 DWSRF budget is \$8,229,000. These funds are available after Nevada successfully obtains a Capitalization Grant Award from the U. S. Environmental Protection Agency (EPA) for its DWSRF program.

In 1997, the Nevada State Legislature passed legislation, Senate Bill (SB) 302, which authorized the State Health Division to develop, implement and administer the DWSRF program in Nevada. In accordance with the SDWA, the legislation authorized the Treasurer of the State of Nevada to set up the account for the revolving fund and the account for set-aside programs. The 2003 Nevada State Legislature passed legislation, Assembly Bill (AB) 473, which transferred the DWSRF from the State Health Division to the Nevada Division of Environmental Protection (NDEP). NRS 445A.200 to 445A.295, inclusive, is the state statutes for the DWSRF and may be reviewed at the following Internet Web URL:

<http://www.leg.state.nv.us/NRS/NRS-445A.html>.

The regulations for the DWSRF promulgated by the Health Division, later revised by the State Environmental Commission, are found in Nevada Administrative Code (NAC) 445A.6751 to 445A.67644 inclusive and may be reviewed at the following Internet Web URL:

<http://www.leg.state.nv.us/NAC/nac-445A.html>

The 2008 Intended Use Plan describes how the state intends to use available DWSRF funds for the year to meet the objectives of the Safe Drinking Water Act and further the goal of protecting public health.

B. Financial Status of the Nevada DWSRF

Since program inception, Nevada has received nine DWSRF Capitalization Grants from EPA. Including the State match, these grants have made available \$88,658,802 for DWSRF loans. As of July 1st, 2007, the Nevada DWSRF has funded or committed to fund twenty six loans totaling \$98,520,342. The remaining grant funds will be combined with funds from the 2008 Capitalization Grant and from the principal of loan repayments to provide for loans to be made during the next year. Table 1 shows an estimated projection of the sources and uses of funds July 1, 2007 to June 30, 2008.

TABLE 1: Sources and Uses of Funds

| Table 1 | | Federal | Bond Proceeds | Reloan | Total |
|---|---|-------------------|------------------|------------------|-------------------|
| Expected sources & uses for the period 7/1/07-6/30/08 | | | | | |
| Sources of funding: | | | | | |
| | Uncommitted prior years' loan funds | 2,008,355 | 1,383,410 | 2,853,654 | 6,245,419 |
| | Set-aside funds from prior grants | 3,160,230 | | | 3,160,230 |
| | Grants (SFY 2007) | 8,229,000 | | | 8,229,000 |
| | Grants (SFY 2008) | 8,229,000 | | | 8,229,000 |
| | Loan principal repayments SFY 08 | | | 2,700,000 | 2,700,000 |
| | Loan interest earnings SFY 08 | | | 2,000,000 | 2,000,000 |
| | Investment interest earnings SFY 08 | | | 500,000 | 500,000 |
| | Bond issues SFY 08 | | 3,291,600 | | 3,291,600 |
| Total Sources of Funds | | 21,626,585 | 4,675,010 | 8,053,654 | 34,355,249 |
| Uses of Funding: | | | | | 0 |
| Set-Aside Program Activities: | | | | | 0 |
| | Administrative (4% set-aside) | 329,160 | | | 329,160 |
| | State Program Management (10% set-aside) | | | | 0 |
| | State Program Management | 597,045 | | | 597,045 |
| | Technical Assistance & Education | 0 | | | 0 |
| | Capacity Strategy | 60,000 | | | 60,000 |
| | Operator Certification | 0 | | | 0 |
| | Local Assistance (15% set-aside) | | | | 0 |
| | Capacity Assistance | 305,395 | | | 305,395 |
| | Wellhead Protection (BSDW) | 173,544 | | | 173,544 |
| | Wellhead Protection (BWPC) | 490,706 | | | 490,706 |
| | Technical Assistance-Systems (2% set-aside) | 164,580 | | | 164,580 |
| | Sub-total: Set-aside programs | 2,120,430 | 0 | 0 | 2,120,430 |
| Bond repayment: | | | | | |
| | Bond principal | | | 930,000 | 930,000 |
| | Bond interest | | | 665,408 | 665,408 |
| | | | | | 0 |
| Project funding: | | | | | |
| | Loans expected to be made | 11,040,000 | 2,760,000 | 6,400,000 | 20,200,000 |
| | Loan applications pending | 1,200,000 | 300,000 | | 1,500,000 |
| | Loan commitments pending | | | | 0 |
| | Revolving Loan Fund (Uncommitted funds) | 2,032,055 | 1,615,010 | 58,246 | 3,705,311 |
| | Set-aside commitments | 5,234,100 | | | 5,234,100 |
| Total Uses of Funds | | 21,626,585 | 4,675,010 | 8,053,654 | 34,355,249 |

C. Nevada Request

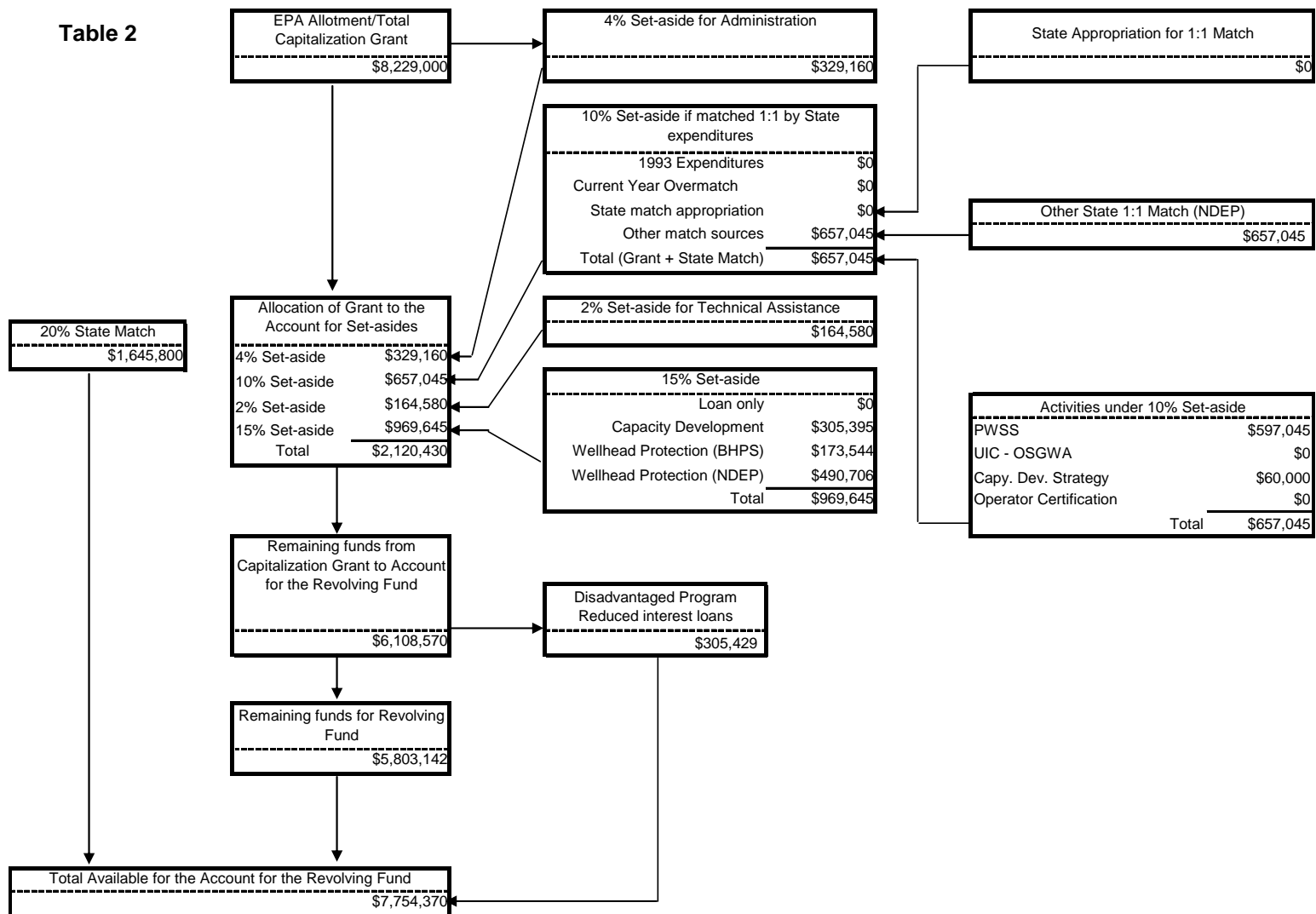
This Intended Use Plan (IUP) is a required element of the grant application documentation to obtain the FFY 2008 grant award. Nevada herewith submits its IUP for the FFY 2008 funds available to Nevada for the purposes of continuing the development, implementation and administration of the DWSRF program in Nevada. The total available to Nevada from EPA's FFY 2008 allotment is \$8,229,000. This allotment will be matched by the 20% match requirement of \$1,645,800 from state financial resources. Nevada intends to divert \$2,120,430 of this allotment to the account for set-aside programs, leaving \$6,108,570 in federal funds for the account for the revolving loan fund (Table 2).

II. TYPES OF PROJECTS TO BE FUNDED FROM THE VARIOUS DWSRF ACCOUNTS

A. The types of projects for which loan funds from the account for the revolving fund are intended include:

1. Construction/upgrading of water treatment facilities;
2. Replacement of contaminated sources with new groundwater or surface water sources;
3. Installation/upgrade of treatment and disinfection facilities to meet public health standards and to protect public health;
4. Consolidation and interconnection of public water systems to address technical, managerial and financial capacity issues;
5. Planning and engineering associated with eligible projects;
6. Replacement of aging infrastructure;
7. Replacement/rehabilitation of transmission and distribution lines and storage facilities;
8. Installation of meters and backflow prevention devices;
9. Refinancing eligible projects where debt was incurred after July 1, 1993;

Table 2



10. Land acquisition that is integral to a DWSRF-eligible project; and
11. Other projects necessary to address compliance/enforcement or security issues.

B. Activities intended to be funded from the account for set-aside programs include:

1. Administration of the DWSRF program;
2. Assistance with technical, managerial and financial capacity development to small public water systems serving 10,000 or fewer persons;
3. Enhancement of state drinking water program management;
4. Continued development of an information management system compatible with the Safe Drinking Water Information Management System (SDWIS) to enhance data storage, data queries and data retrieval;
5. Training for water operators and Board members;
6. Wellhead and source water protection programs;
7. Capacity Development;
8. Operator Certification; and
9. Assistance with water system consolidation.

III. DWSRF LOAN PROGRAM DESCRIPTION AND GOALS

A. DWSRF Loan Program General Information

The Nevada DWSRF Loan Program funds publicly- and privately-owned community water systems and non-profit non-community water systems. Eligible projects include installation and replacement of failing treatment facilities, eligible storage facilities and transmission and distribution systems. Projects to consolidate water systems may also be eligible. Loans made under the program currently have interest rates around 3 percent. Loan repayments to the State will provide a continuing source of infrastructure financing into the future. The program also places an emphasis on small and disadvantaged communities and on programs that emphasize prevention as a tool for ensuring safe drinking water.

B. Long-Term Goals

For the purposes of this IUP, long-term goal is defined as the life of the program. The following are the long-term goals of the loan program:

- Ensure that DWSRF funds are available in perpetuity to all Nevada public water systems to provide their customers with water that is safe and pleasant to drink all of the time.
- Address the most serious risk to human health and comply with the requirements of the Safe Drinking Water Act.
- Assist systems most in need, on a per household basis, according to State determined affordability criteria.
- Coordinate with other funding agencies through the Infrastructure for Nevada's Communities Committee.

C. Short-Term Goal

For the purposes of this IUP, a short-term goal is an activity intended to be initiated and, in some cases, completed within a year.

- Make drinking water in Nevada more affordable by providing approximately \$20 million in Federal, State and repayment funds as loans to water systems in Nevada at below market interest rate.

D. Additional DWSRF Loan Program Information

Financial Terms of Loans for Public Water System Projects:

1. Subject to the limitation in paragraph 2 of this section, all loans for the financing of projects, or loans made under the Section 1452(k)(1) set-aside, will be for a term not to exceed 20 years from loan closing date, except that under some conditions, loans to disadvantaged communities for financing projects may be made for a period of 30 years from loan closing date.
2. Loan terms are not to exceed the useful life of the project.
3. Terms of financial assistance to public water systems serving disadvantaged communities are addressed in Section VII.
4. Repayment of loan principal must begin within 12 months of project completion based on the construction schedule available at the loan closing date or actual completion date or three years from the date of the initial principal advance, whichever is earlier.
5. Loans are to be made on a cost-reimbursement basis.
6. Leveraging: The decision to leverage will be based on demand on the loan fund for projects to address health concerns, market conditions and long term impact to the fund.
7. Administration Fee: Currently, Nevada does not assess a fee. At some point in the future, Nevada intends to assess a small administrative fee, calculated as a percentage of the remaining principal balance, to be collected at the time of the semi-annual loan repayments. Fees collected will be deposited and maintained outside of the SRF accounts.

IV. DWSRF SET-ASIDE PROGRAM DESCRIPTION AND GOALS

The SDWA §1452(g) and §1452(k) allow States to set aside up to 31% of the capitalization grant for the activities described in Section II. B of this IUP. Nevada expects to reserve 26% of the FFY 2008 capitalization grant for these purposes.

The DWSRF account for set-aside programs includes four specific set-aside categories identified as the 4%, 10%, 2% and 15% set-asides. If all of the set-aside funds within a set-aside activity are not expended, those remaining funds may be redirected to another set-aside activity as long as the maximum allowed for that activity has not been reached for the fiscal year from which the funds were derived. Nevada has submitted for EPA's approval detailed workplans for set-aside activities described in Sections A through D (below).

The following sections describe each of the set-asides individually. Each section contains a general description of the set-aside and a description of the programs to be funded. Following these descriptions, long-term and short-term goals are identified for each program.

A. Program Administration (4% Set-aside)

The Bureau of Administrative Services within the Division of Environmental Protection will manage the day-to-day operation of the DWSRF. The Board for Financing Water Projects, a board that exists independent of the Division, approves the priority lists and loan commitments. Support for administering the program is also obtained from the State Treasurer's Office.

This set-aside will be used to pay salaries and associated expenses of program personnel devoting time to the administration of the fund as well as the necessary ancillary services performed by other agencies. These funds will also be used to procure all equipment and training necessary for the adequate performance of staff. Expenses for DWSRF-related public meetings, workshops and hearings will also be paid for out of this set-aside.

Funds not used immediately will be reserved for use in future years.

Long-Term Goal:

- Effectively manage a self-sustaining DWSRF Loan Program and ensure that funds are available in perpetuity.

Short-Term Goals:

- Effectively and efficiently manage the day-to-day operation of the DWSRF;
- Develop administrative fees.

B. Technical Assistance for Small Public Water Systems Serving 10,000 or Fewer Persons (2% Set-aside)

Nevada will utilize this set-aside to provide technical assistance to small public water systems using independent contractors, coalitions and/or non-profit organizations. Small public water systems are those systems that serve 10,000 or fewer persons. In general, these activities target assistance at problems identified in the capacity evaluations. Assistance is focused by identifying objectives, tasks and deliverables. The assistance activities may

include the following:

- ✓ Identify needed maintenance or infrastructure;
- ✓ Operational and management procedures;
- ✓ Source water adequacy;
- ✓ Assistance with compliance problems;
- ✓ Identification of special needs;
- ✓ Funding advice or assistance;
- ✓ Water rate and budget analysis; and
- ✓ Engineering reviews.

Long-Term Goal:

- Offer assistance to all of Nevada's small systems.

Short-Term Goal:

- Conduct evaluations of technical, managerial and financial capacity;
- Identify systems most in need of assistance;
- Provide technical assistance to small systems including assistance with compliance issues, sampling plans, cross connection control and emergency response plans;
- Provide assistance to loan applicants by applying technical, managerial, or financial capability criteria;
- Provide managerial assistance including budget, water rates and staffing needs; and,
- Assist small water systems with arsenic compliance issues.

C. State Program Management (10% Set-aside Recognizing Allowable 1:1 State Match Funds)

Nevada will utilize the 10% set-aside activities in two different areas: enhancement of the Public Water System Supervision program and Capacity Development. Support of the Operator Certification program is included in the enhancement of the Public Water Supervision Program. The 10% set-aside requires a 1:1 match which the State may derive from three possible sources. The first source comes from the State expenditure for the 1993 Public Water System Supervision (PWSS) program as allowed by the Safe Drinking Water Act. This historical amount is **\$238,129**. This amount cannot exceed the match credits derived from the other components. The second source is annual permit fees NDEP collects for water system operation, operator certification, lab certification or plan reviews. The third component is derived from the State expenditures, which overmatch the 25% State match that is required in the PWSS programs. No direct State appropriation match money will be provided for FFY 2008.

1. Public Water System Supervision (PWSS) Program:

The DWSRF funds will be used to develop, implement and improve the current public water system information management system and enhance current PWSS activities administered by the Bureau of Safe Drinking Water.

Long-Term Goals:

- Develop and maintain long-term data system for use in managing Nevada PWSS;
- Integrate Safe Drinking Water Information System (SDWIS) with other State databases; and
- Supplement and enhance PWSS program.

Short-Term Goals:

- Input data for all parameters into SDWIS;
- Refine development of various SDWIS modules to assist PWSS program implementation
- Purchase necessary computer equipment;
- Provide PWS staff training; conduct public workshops and rule adoption; and
- Maintain operator certification program.

2. Capacity Development

Nevada's Capacity Development Strategy is designed to improve the technical, managerial and financial capability of water systems. The Division will rely on the combined efforts of contractors, non-profit groups and other resources to implement this strategy.

Long-Term Goals:

- Implement Nevada's Capacity Development Strategy;
- Evaluate water system capacity utilizing objective criteria.

Short-Term Goals:

- Measure success of capacity development efforts;
- Evaluate water systems technical, managerial and financial capacity;
- Manage Nevada's Capacity Development Program; and
- Continue to evaluate the Capacity Development Strategy.

D. Local Source Water Protection Activities (15% Set-aside); (Not More than 10% of Capitalization Grant Can Be Used for Any One Activity)

The SDWA allows 15% of the capitalization grant to be used for providing loans for source water protection; for providing assistance for the technical, managerial and financial capacity development strategy and for enhancing the State Wellhead Protection Program. None of the individual activities listed below will exceed 10% of the capitalization grant.

1. Loans for Source Water Protection Programs

Nevada does not plan to set aside any FFY 2008 funds for loans to be made under this program. These loans would include loans for the acquisition of land or easements, for local, voluntary source water protection, or for source water petition programs.

2. Provide Funding to Public Water Systems to Provide Technical or Financial Assistance Under the Capacity Development Strategy

Nevada intends to provide assistance in technical, managerial and financial capacity development to public water systems. Technical assistance providers under contract will offer assistance on a variety of issues. This effort also includes a quarterly publication

(“*Water Lines*”), which provides a variety of technical, managerial and financial information for operators and owners of public water systems.

Long-Term Goal:

- Provide assistance to water systems to enhance their technical, managerial and financial capacity.

Short-Term Goals:

- Edit, publish and mail quarterly newsletter *Water Lines*;
- Provide training to operators and Boards;
- Provide technical assistance to enhance technical, managerial and financial capabilities of water systems;
- Assist water systems with evaluating and implementing asset management; and
- Financial management training.

3. State Source Water Protection Program

The Nevada Source Water Protection Program is comprised of the voluntary Wellhead Protection Program (WHPP) and a variety of other source protection and coordination activities. The objective of the Source Water Protection Program is to 1) maintain the WHPP’s grant and technical assistance activities to assist public water systems with the development and implementation of wellhead protection plans, and 2) coordinate and focus attention on the ground and surface water protection activities conducted by NDEP, local agencies, state and federal agencies, Nevada Rural Water Association, and other groups working to protect sources of drinking water in Nevada. The program is administered by the NDEP’s Bureau of Water Pollution Control.

a. Wellhead Protection

Section 1452(k) of the Safe Drinking Water Act currently specifies that wellhead protection programs are eligible for funding under the 15% set-aside. Nevada’s Wellhead Protection Program funds activities that protect underground sources of drinking water. Funding from the 15% set-aside enhances the existing WHPP, assists with the development and implementation of community/tribal WHP plans through funding and technical assistance, and coordinating with other agencies having related programs. WHPP grants to public water systems and communities will be used to promote a variety of wellhead protection plan development and implementation projects, including the inventorying, evaluating and addressing high risk contaminant sources (e.g. abandoned wells and individual septic systems) that warrant possible funding through this program. Wellhead protection activities are outlined in the “Comprehensive State Groundwater Protection Program” updated in March 1998 and approved by the U.S. Environmental Protection Agency.

b. Source Water Protection Activities

The Source Water Assessment Program conducts drinking water protection activities that fall within the objectives of the program, but fall outside of the scope of the Wellhead Protection Program. Activities include analysis, prioritization and focused attention of potential contaminating activities; coordination of ground water and surface water protection activities conducted by NDEP, Nevada Rural Water Association, and other

groups working to protect source of drinking water in Nevada; and ground water quality data base development, management and use.

Long-Term Goals of Source Water Protection Program:

- Implement the comprehensive Source Water Protection Program by providing outreach and assistance to local communities on strategies to protect their local water resources by preventing contamination of ground water and surface water, identifying and reducing the risk posed by potential water pollution sources through various state and local programs, and coordinating water protection activities throughout the state.
- Utilize information gathered in the assessment program to implement the vulnerability assessment and monitoring waiver programs.

Short-Term Goals for Source Water Protection Program:

- Enhance State program and develop strategies, including coordination efforts, for protecting public water systems and ground water resources;
- Encourage local communities and tribes to participate in the State's procurement process to fund wellhead protection activities;
- Provide grant assistance to interested public water systems to develop and implement wellhead protection plans; manage contracts and review and approve plans;
- Encourage and assist with the development of source water and wellhead protection ordinances at the local level;
- Develop Drinking Water Protection Areas for all public water wells in Nevada;
- Develop technical guidance for water pollution prevention activities;
- Develop educational outreach materials for source water and wellhead protections, and enhance NDEP SWP website;
- Ground and source water protection public and stakeholder outreach and education, through distribution of published materials and presentations; and,
- Develop and enhance other data management tools and efforts for source water protection activities.

Short-Term Goals for Vulnerability Assessment and Protection Program:

- Bureau of Water Pollution Control and Bureau of Safe Drinking Water collaborate to define future data needs and source water protection program activities;
- Provide as needed updated SWAP summaries to water systems for inclusion in Consumer Confidence Reports;
- New source water delineations and field contaminant source updates as needed;
- Evaluate water quality, risk, time of travel, susceptibility and other relevant information to determine source vulnerability;
- Update groundwater monitoring schedules and waivers; and,
- Encourage water systems to engage in source water protection efforts.

V. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

A. Priority List Ranking Process

Nevada uses a ranking system to prioritize the order in which eligible projects will be financed (NAC 445A.67566 to NAC 445A.67574, inclusive). In general, priority is given to projects that facilitate compliance with national primary drinking water regulations applicable to the public water system under Section 1412 of the SDWA. Priority is also given to those projects which otherwise significantly further the health protection objectives of Section 1452 of the SDWA and for public water systems most in need on a per capita basis. The priority ranking system, described generally below, is described in detail in NAC 445A.67569. Projects are ranked into the following four classes, listed in order of priority.

1. Significant health risks;
2. Primary and secondary drinking water standards;
3. Infrastructure replacement; and
4. Refinance of existing debt.

Points assigned, as specified in NAC 445A.67569, to address different problems within a class are additive. The initial ranking number is multiplied by the ratio of the State median household income to the public water system median household income. Within each of the above categories, the projects are ranked by type of public water system in the following order:

1. Community public water systems;
2. Non-profit, non-transient, non-community water systems;
3. Non-profit transient, non-community water system;

On an annual basis, following a statewide solicitation for projects, the Division develops a statewide priority list of water projects. Placement on the priority list does not guarantee that a project will be funded. However, only those projects that are included on the priority list will be considered for possible funding. The IUP, including the list of projects, undergoes a public review and comment process at least once each year.

The regulations (NAC 445A.67569) allow for other factors identified in the IUP to be considered in the ranking of projects on the priority list. This IUP is identifying the following additional factors to be considered in ranking projects on the priority list. Public Water Systems under a Bilateral Compliance Agreement for violations of the primary drinking water standard for arsenic will be given higher priority than those water systems that have received or are eligible for an exemption for arsenic. For those systems eligible for an exemption for arsenic, ranking of projects will be based on exemption eligibility criteria in the following order:

1. Arsenic concentration between 36 ppb and 50 ppb
2. Arsenic concentration between 31 ppb and 36 ppb
3. Arsenic concentration between 26 ppb and 30 ppb
4. Arsenic concentration between 21 ppb and 25 ppb
5. Arsenic concentration less than 16 ppb and 20 ppb

6. Arsenic concentration between 11 ppb and 15 ppb

Within each of the above groups, ranking will be based on population, with the higher population given the higher ranking.

The Division may revise the ranking of a project on an existing list at any time if information affecting the ranking of the project becomes available that was not available at the time the list was developed. Any revised list, before it is adopted, must undergo the public review and comment process outlined in the regulations and must be approved by the Board for Financing Water Projects. The Division may, without obtaining the approval of the Board for Financing Water Projects or holding a public participation workshop, revise a priority list to correct minor typographical or technical errors.

Requests for financial assistance for emergency situations may be made to the Division at any time. In any emergency situation, an applicant may submit a loan application without waiting for a revision to the priority list. All other applicants on an approved priority list will be notified of an emergency request and be given an opportunity for any comments or objections.

Eligible projects on the priority list may be bypassed if the applicant withdraws a project, requests that action be deferred, fails to meet submittal deadlines, or is not ready to proceed as determined by the Division. The projects that are bypassed will be provided notice by the Division and have an opportunity for objection. The Division will utilize the priority list to develop a separate priority list that identifies fundable projects considering readiness to proceed.

B. Priority List Public Participation

The Priority List is based on a calendar year. A list of projects in order of priority that may receive assistance from the account for the revolving fund is made a part of this IUP (See Attachment A). The Division held the following workshops on the 2006 Priority Lists.

| | Workshop Date | Location | Board Approval Date |
|--------------------|---------------|-------------|---------------------|
| 2007 Priority List | March 9, 2007 | Carson City | March 14, 2007 |

A summary of the public workshops, comment and public participation is included in Attachment C. The Resolution of the Board for Financing Water Projects approving the 2007 Priority List effective September 20, 2007 is included in Attachment B.

C. Impact of Funding Decisions on the Long-Term Financial Health of the DWSRF

A projection of funding decisions is included in Attachment D.

D. Relationship to State Program Goals and Objectives

The Division places priority on projects that meet the goals specified in Section II of this IUP. In general, the resolution of imminent threat to public health by addressing acute contaminants is paramount, followed by the resolution of compliance issues, long-term health protection through pollution or contamination prevention, long-term infrastructure

needs, and consolidation of public water systems to improve system capabilities.

E. Transferring Funds Between the DWSRF and the CWSRF

Initial projections indicate that the DWSRF may have more projects ready to proceed than funds available. Much of the projected demand on the DWSRF is from projects to bring water systems into compliance with the drinking water standards (arsenic and uranium). If DWSRF projects that are ready to proceed exceed funds available, transferring funds from CWSRF to DWSRF may be considered provided there are unused funds available in the CWSRF. Nevada reserves the right to make a transfer of up to 33% of the DWSRF capitalization grant into the CWSRF or an equivalent amount from the CWSRF capitalization grant into the DWSRF, when it is permissible. This would require public review and the approval of the Governor, State of Nevada.

VI. ASSISTANCE TO SMALL PUBLIC WATER SYSTEMS

The federal regulations for the DWSRF state that a minimum of 15% of the DWSRF must be used to provide loan assistance to small public water systems serving fewer than 10,000 people to the extent such funds can be obligated for eligible projects. The 2007 project priority list includes a large number of projects associated with small public water systems. It also includes several projects associated with large water systems. Every effort will be made to fund the small system projects, recognizing the requirement outlined in Section 1452 (a)(2) of the SDWA to make at least 15% of the fund available to small systems. Loans to large systems are important in obligating the entire capitalization grant. Repayments of these loans then make low-cost loans available to small systems in the future.

VII. PROGRAM TO PROVIDE ASSISTANCE TO PUBLIC WATER SYSTEMS SERVING DISADVANTAGED COMMUNITIES

Due to emerging issues with system consolidation and compliance with the revised arsenic standard, which went into effect in January 2006, Nevada is proposing to reserve 5% of the grant funds remaining after the set-asides for a disadvantaged program (see table 2). The disadvantaged program will offer reduced or zero interest, but not principal forgiveness at this time.

Minimum criteria to qualify for disadvantaged program are as follows:

1. Meet the definition of a disadvantaged community.
2. Project must address a health concern.
3. Water system must serve fewer than 10,000 people.
4. Water rates must be greater than or equal to 1.5% of water system median household income.

Priority will be given to projects that result in consolidation of water systems and result in the elimination of a water system that is lacking technical, managerial and financial capacity.

The Nevada Administrative Code defines a disadvantaged community as an area served by a

public water system in which the average income per household is less than 80 percent of the average median household income of the percent of the state median household income.

In addition to reduced or zero interest loans for disadvantaged communities, the project prioritization process takes into account the median household income (MHI) in the area served by a water system. The process ranks projects in communities with a lower MHI higher than an equivalent project in a community with a higher MHI. This ranking process, therefore, gives those projects serving communities with a lower MHI the first opportunity at loan funds.

VIII. U.S. ENVIRONMENTAL PROTECTION AGENCY STRATEGIC PLAN GOALS AND OBJECTIVES

The Nevada DWSRF program supports the National USEPA Strategic Plan Goal 2 (Clean and Safe Water), Objective 1 (Protect Human Health), Sub-objective 1 (Water Safe to Drink) listed below. Specifically, Nevada established and is managing the revolving loan fund to make low cost loans and other types of assistance to water systems to finance the cost of infrastructure projects to achieve or maintain compliance with Safe Drinking Water Act requirements. Nevada DWSRF activities support USEPA Program Reporting Code (PRC) 201B81E. Every summer, Nevada and USEPA negotiate Nevada's Strategic Plan commitments for the federal fiscal year starting October 1. Nevada's commitments for FFY 2007 are included in Attachment F.

STRATEGIC PLAN GOAL 2: Clean and Safe Water

STRATEGIC PLAN OBJECTIVE 2.1: PROTECT HUMAN HEALTH – Protect human health by reducing exposure to contaminants in drinking water (including protecting source waters), in fish and shellfish, and in recreational waters.

STRATEGIC PLAN SUBOBJECTIVE 2.1.1: WATER SAFE TO DRINK – By 2008, 95% of the population served by community water systems will receive drinking water that meets all applicable health-based drinking water standards through effective treatment and source water protection.

All planned and prior year loans have assisted public water systems meet the federal and state drinking water compliance requirements. Details of Nevada's DWSRF activities supporting the National USEPA Strategic Plan will be included in the DWSRF Annual Report published in December each year.

Attachment A

2007 Project Priority List

Year 2007 Priority List--Drinking Water State Revolving Fund Loan Pre-Applications

| Rank | Water System | Total Points | Arsenic Factor | Adjust. Total | State MHI/ PWS MHI | Revised Points | Owner-ship of System | County | ID# | Pop. Served | Number of Svc. Conn. | Project Description | Amount |
|---------------------------------------|--|--------------|----------------|---------------|--------------------|----------------|----------------------|--------|------------------------|-------------|----------------------|--|----------------------|
| Class I--Acute Health Risks | | | | | | | | | | | | | |
| none | | | | | | | | | | | | | |
| Class II--Chronic Health Risks | | | | | | | | | | | | | |
| 1 | Ember Mobile Manor | 10 | 1.0 | 10 | 5.57 | 55.73 | Private | CH | NV0004002 | 35 | 23 | Consolidation, arsenic compliance | \$180,000 |
| 2 | Jackpot | 10 | | | 1.46 | 14.62 | Public | EL | NV0000088 | 1,240 | 456 | new well, chlorination, storage, distribution, uranium compliance | \$3,405,000 |
| 3 | Crystal Clear Water Company | 10 | 0.9 | 9 | 1.38 | 12.45 | Public | LY | NV0000361 | 170 | 90 | Arsenic compliance, well, storage, distribution | \$1,170,000 |
| 4 | Fallon | 10 | 1.0 | 10 | 1.24 | 12.41 | Public | CH | NV0000045 | 8,500 | 3,161 | Storage -- part of arsenic treatment | \$1,750,000 |
| 5 | Goldfield | 10 | 0.9 | 9 | 1.35 | 12.17 | Public | ES | NV0000072 | 500 | 217 | Arsenic compliance | \$630,000 |
| 6 | Manhattan | 10 | 1.0 | 10 | 1.17 | 11.72 | Public | NY | NV0000165 | 40 | 50 | Arsenic compliance, new well, transmission, storage, SCADA | \$1,210,000 |
| 7 | Five Star MHP | 10 | 0.8 | 8 | 1.29 | 10.36 | Private | LY | NV0002516 | 90 | 29 | Arsenic compliance | ? |
| 8 | Fernley Utilities | 10 | 1.0 | 10 | 1.00 | 9.97 | Public | LY | NV0000062 | 14,000 | 5,000 | Arsenic compliance | \$19,750,000 |
| 9 | Alamo Sewer & Water GID | 10 | 0.9 | 9 | 1.03 | 9.25 | Public | LI | NV0000005 | 900 | 275 | Arsenic compliance, new well, storage, distrib. | \$2,087,380 |
| 10 | Old River | 10 | 0.8 | 8 | 1.09 | 8.74 | Private | CH | NV0000303 | 300 | 110 | Arsenic compliance | \$1,451,835 |
| 11 | Panaca | 10 | 0.5 | 5 | 1.50 | 7.48 | Public | LI | NV0000185 | 800 | 349 | Arsenic compliance | ? |
| 12 | Carson City Utilities | 10 | 0.7 | 7 | 1.07 | 7.46 | Public | CC | NV0000015 | 56,000 | 16,447 | Arsenic compliance | \$6,000,000 |
| 13 | Searchlight | 10 | 0.4 | 4 | 1.83 | 7.31 | Public | CL | NV0000219 | 760 | 290 | Arsenic compliance, two new wells, storage | \$11,125,300 |
| 14 | Caliente | 10 | 0.4 | 4 | 1.73 | 6.90 | Public | LN | NV0000013 | 1,500 | 427 | New well, distribution | \$2,519,027 |
| 15 | East Valley | 10 | 0.9 | 9 | 0.75 | 6.74 | Public | DO | NV0002216 | 3,845 | 1,479 | Arsenic compliance | \$7,500,000 |
| 16 | Beatty | 10 | 0.6 | 6 | 1.08 | 6.48 | Public | NY | NV0000009 | 1,100 | 500 | Arsenic compliance | \$750,000 |
| 17 | Tolas MHP | 10 | 0.5 | 5 | 1.58 | 7.90 | Private | CH | NV0000061 | 54 | 32 | Arsenic complianc | \$175,000 |
| 18 | Yerington | 10 | 0.4 | 4 | 1.43 | 5.72 | Public | LY | NV0000255 | 2,900 | 1,835 | Arsenic compliance | \$1,720,000 |
| 19 | Moapa Valley Water District | 10 | 0.5 | 5 | 1.12 | 5.58 | Public | CL | NV0000160 | 8,000 | 2,668 | Arsenic compliance | \$6,760,178 |
| 20 | Sunrise Estates (Washoe Co) | 10 | 0.5 | 5 | 1.10 | 5.50 | Public | WA | NV0002525 | 86 | 35 | Arsenic compliance | \$451,408 |
| 21 | Battle Mountain | 10 | 0.5 | 5 | 1.04 | 5.19 | Public | LA | NV0000008 | 4,600 | 1,145 | Water treatment (arsenic), transmission, distribution, storage | \$11,510,910 |
| 22 | Stagecoach GID - Churchill Ranchos | 10 | 0.4 | 4 | 1.29 | 5.18 | Public | LY | NV0000813 NV0000224 | 1,231 | 505 | Consolidation of Churchill Ranchos with Stagecoach GID for arsenic compliance | \$3,627,278 |
| 23 | Spring Creek | 10 | 0.5 | 5 | 0.97 | 4.87 | Public | WA | NV0004082 | 1,850 | 743 | Arsenic compliance | \$3,516,613 |
| 24 | Tonopah | 10 | 0.4 | 4 | 1.19 | 4.77 | Public | NY | NV0000237 | 2,600 | 1,500 | Arsenic compliance | \$127,000 |
| 25 | So. Truckee Meadows Water Treatment Facility (includes Double Diamond) | 10 | 0.4 | 4 | 1.10 | 4.40 | Public | WA | NV0000215 NV0000832 | 21,214 | 9,339 | Arsenic compliance | \$21,500,000 |
| 26 | Lemmon Valley | 10 | 0.4 | 4 | 1.10 | 4.40 | Public | WA | NV0000202 | 2,853 | 1,179 | Arsenic compliance | \$2,060,664 |
| 27 | Truckee Canyon | 10 | 0.4 | 4 | 1.10 | 4.40 | Public | WA | NV0000978 | 25 | 5 | Arsenic compliance | \$975,000 |
| 28 | Desert Springs | 10 | 0.4 | 4 | 0.97 | 3.90 | Public | WA | NV0001085 | 7,629 | 3,869 | Arsenic compliance | \$3,859,680 |
| 29 | Sunrise Estates (Douglas Co) | 10 | 0.5 | 5 | 0.78 | 3.88 | Public | DO | NV0000887 | 91 | 37 | Arsenic compliance | \$1,400,000 |
| 30 | Dayton Valley MHP | 1 | NA | 1 | 2.05 | 2.05 | Private | LY | NV0000033 | 55 | 28 | TDS above std, consolidate with Dayton Utilities | \$79,500 |
| 31 | Gabbs | 1 | NA | 1 | 1.56 | 1.56 | Public | NY | NV0000063 | 411 | 160 | Fluoride compliance | \$300,000 |
| Total Class II | | | | | | | | | | | | | \$117,591,773 |
| Class III--Rehabilitation | | | | | | | | | | | | | |
| Community Public Water Systems | | | | | | | | | | | | | |
| 32 | Lovelock GID | 63 | | | 1.21 | 76.47 | Public | PE | NV0000161 | 3,900 | 1,300 | Chlorination, storage, transmission, distrib., backflow | \$13,000,000 |
| 33 | Imlay | 24 | | | 2.35 | 56.31 | Public | PE | NV0000226 | 200 | 19 | Storage, transmission, distribution | \$761,800 |
| 34 | Topaz Ranch Estates GID | 26 | | | 1.50 | 39.03 | Public | DO | NV0000239 | 2,100 | 736 | Upgrade distribution, well and chlorination equipment | \$1,005,000 |
| 35 | Silver Springs MHP | 29 | | | 1.29 | 37.55 | Private | LY | NV0000267 | 70 | 36 | New well, transmission, distribution | \$130,000 |
| 36 | Kingsbury GID | 27 | | | 1.03 | 27.88 | Public | DO | NV0000004 | 3,839 | 2,450 | Storage tank, replace water mains, replace gas engines and install electric generators in five booster pump stations, install water meters | \$15,580,915 |
| 37 | Mount Rose | 34 | | | 0.78 | 26.69 | Public | WA | NV0003030 | 1,650 | 793 | Nitrate treatment, extend water main to Fawn Lane to connect individual wells | \$1,950,000 |
| 38 | Lyon County - Moundhouse | 24 | | | 1.10 | 26.29 | Public | LY | NV0000838 | 1,578 | 895 | Storage, upgrade transmission & distribution | \$1,720,000 |

| Rank | Water System | Total Points | State MHI/ PWS MHI | Revised Points | Owner-ship of System | County | ID# | Pop. Served | Number of Svc. Conn. | Project Description | Amount |
|--|---------------------------|--------------|-----------------------|----------------|----------------------|--------|-----------|-------------|----------------------|---|--------------------|
| Class III - Rehabilitation (continued) | | | | | | | | | | | |
| 39 | Kyle Canyon | 34 | 0.71 | 24.01 | Public | CL | NV0000142 | 1,040 | 353 | New well, storage, distribution, water meters | \$3,591,184 |
| 40 | Sierra Estates | 25 | 0.86 | 21.50 | Public | DO | NV0000030 | 160 | 67 | Production | \$188,000 |
| 41 | Montello | 18 | 0.94 | 16.88 | Public | EL | NV0000169 | 289 | 55 | Transmission, storage | \$515,000 |
| 42 | Lightning W | 28 | 0.57 | 15.92 | Public | WA | NV0000865 | 90 | 55 | Uranium treatment plant | \$850,000 |
| 43 | Steamboat Springs | 10 | 0.92 | 9.21 | Private | WA | NV0000282 | 998 | 298 | Storage tank interior lining | \$75,000 |
| Non Transient, Noncommunity Public Water System | | | | | | | | | | | |
| 44 | Verdi Business Water Coop | 35 | | | Private | WA | NV0005061 | 100 | 11 | New well, upgrade treatment | \$101,250 |
| Total Class III | | | | | | | | | | | \$5,320,434 |
| Class IV--Refinance | | | | | | | | | | | |
| Publicly-owned Utilities | | | | | | | | | | | |
| | None | | | | | | | | | | \$0 |

State MHI (Median Household Income) is \$44,581 based on 2000 Census.

PWS MHI is based on 2000 Census where data is available for the community. If 2000 Census community data is not available, 2000 Census county data, site specific income survey or other appropriate method was used. Contact NDEP for detailed information.

Previously Approved Loans

| Water System | Award Date | Owner-ship of System | County | ID# | Pop. Served | Number of Svc. Conn. | Project Description | Amount |
|---------------------------------|------------|----------------------|--------|-----------|-------------|----------------------|--|--------------|
| | Jan-07 | | | | | | | |
| Winnemucca | | Public | HU | NV0000248 | 8643 | 3300 | Chlorination, new well building, storage, transmission | \$1,600,000 |
| Three T Water Company | Aug-06 | Private | WA | NV0000214 | 92 | 41 | Surface water filtration, storage | \$231,000 |
| Sun Valley GID | Jan-06 | Public | WA | NV0000211 | 15,000 | 6,000 | Production, storage, distribution | \$13,427,166 |
| Round Hill GID | Oct-06 | Public | DO | NV0000260 | 1,000 | 430 | Extend lake intake | \$1,100,000 |
| Sheridan Acres - Douglas Co | Nov-05 | Public | DO | NV0000069 | 282 | 94 | New wells, storage, transmission | \$700,000 |
| TMWA | Jun-05 | Public | WA | NV0000190 | 300,000 | 79,700 | Arsenic mitigation - blending | \$9,270,659 |
| Hidden Valley (Washoe Co.) | Jun-05 | Public | WA | NV0000198 | 3,934 | 1,457 | Treatment arsenic removal | \$14,463,000 |
| Big Bend Water District | Jul-04 | Public | CL | NV0004092 | 8,000 | 2,100 | Treatment improvements, transmission, storage | \$6,000,000 |
| Incline Village GID | Jul-04 | Public | WA | NV0000158 | 12,000 | 4,500 | Distribution | \$2,000,000 |
| Virgin Valley Water - Mesquite | Nov-03 | Public | CL | NV0000167 | 11,006 | 4,300 | Transmission, distribution, arsenic treatment | \$4,000,000 |
| Indian Hills GID | Sep-03 | Public | DO | NV0000355 | 6,000 | 1,800 | Water treatment (arsenic) | \$1,700,000 |
| Big Bend Water District | Apr-03 | Public | CL | NV0004092 | 8,080 | 2,093 | Treatment modifications (control disinfection byproducts), storage, distribution | \$4,000,000 |
| Kingsbury GID | Mar-03 | Public | DO | NV0000004 | 5,879 | 2,300 | Storage and waterline replacement | \$4,000,000 |
| Country Terrace MHP | Aug-02 | Private | WA | NV0000201 | 315 | 105 | Consolidation with TMWA | \$358,561 |
| Verdi Meadows Utility | Pending | Private | WA | NV0000196 | 120 | 62 | Waterline replacement | \$350,000 |
| City of Fallon | Oct-02 | Public | CH | NV0000045 | 7,000 | 2,397 | Water treatment (arsenic) | \$2,000,000 |
| Southern Nevada Water Authority | Aug-99 | Public | CL | NV0000289 | 1,100,000 | 5 | Ozonation | \$12,269,695 |
| Southern Nevada Water Authority | Apr-01 | Public | CL | NV0000289 | 1,100,000 | 5 | Ozonation | \$10,000,000 |
| Steamboat Springs Waterworks | Jun-00 | Private | WA | NV0000282 | 500 | 297 | Storage tank interior recoating and exterior painting | \$50,732 |
| Silver Knolls MWC | Aug-00 | Private | WA | NV0004021 | 200 | 64 | New back up well | \$120,000 |
| Gardnerville Ranchos GID | Aug-00 | Public | DO | NV0000066 | 9,000 | 3,770 | Distribution replacement | \$3,256,736 |
| City of Henderson | Aug-00 | Public | CL | NV0000076 | 188,100 | 22,362 | UV disinfection | \$5,500,000 |
| Indian Hills GID | Sep-00 | Public | DO | NV0000355 | 500 | 153 | Distribution | \$474,882 |
| Indian Springs Sewage Company | Nov-01 | Private | CL | NV0000082 | 1,000 | 163 | Storage | \$207,000 |

Total Loans **\$97,079,431**

Attachment B

**Resolution of the Board for Financing Water Projects
On**

2007 Priority List

RESOLUTION

A RESOLUTION DESIGNATED THE “YEAR 2007 PROJECT PRIORITY LIST, DRINKING WATER STATE REVOLVING FUND—DIVISION OF ENVIRONMENTAL PROTECTION”; PERTAINING TO THE DETERMINATION BY THE BOARD FOR FINANCING WATER PROJECTS OF THE STATE OF NEVADA TO APPROVE THE PRIORITIES FOR DETERMINING WHICH WATER SYSTEMS WILL RECEIVE MONEY FROM THE ACCOUNT OF THE REVOLVING FUND AS REQUIRED IN NEVADA REVISED STATUTES 445A.265(3); MAKING CERTAIN FINDINGS OF FACT AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, the Nevada Division of Environmental Protection is authorized pursuant to NRS 445A.200 to 445A.295, inclusive, to establish procedures for the administration of the Drinking Water State Revolving Fund; and

WHEREAS, the Drinking Water State Revolving Fund Program Guidelines promulgated by the United States Environmental Protection Agency require that the State establish a priority list of public water system projects eligible for funding from the Drinking Water State Revolving Fund and seek public review and comment on the priority list; and

WHEREAS, NRS 445A.265(3) requires that the Division of Environmental Protection shall not establish the priorities for determining which public water systems will receive money or other assistance from the account for the revolving fund without obtaining the prior approval of the Board for Financing Water Projects; and

WHEREAS, the Nevada Division of Environmental Protection may at any time after receiving approval from the Board for Financing Water Projects revise the ranking of a water project in accordance with NAC 445A.67567; and

WHEREAS, the Nevada Division of Environmental Protection has provided notice and has held a workshop for public comments on its proposed priority system on March 9, 2007 in Carson City; and

WHEREAS, no substantive comments, suggestions or recommendations were received at the workshops from the public;

***NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD FOR FINANCING WATER
PROJECTS OF THE STATE OF NEVADA:***

Section 1. This Resolution shall be known as and may be cited by the short title of the “Year 2007 Priority List Resolution.”

Section 2. Based on its review of the information and recommendation submitted to the Board concerning the Year 2007 Priority List, the Board hereby makes the following findings of fact in support of its determination to approve the revised priority list:

(a) The Nevada Division of Environmental Protection has provided public notice of the Year 2007 Priority List;

(b) The Nevada Division of Environmental Protection has held a workshop for public review and comment of the priority list;

(c) The Nevada Division of Environmental Protection has received no substantive comments from the public.

Section 3. In connection with its findings of fact set forth in Section 2 of this Resolution, the Board has determined, and does hereby declare, that it approves the Year 2007 Priority List of public water system projects eligible for funding by the Drinking Water State Revolving Fund.

Section 4. The Year 2007 Priority List included as Attachment A to this resolution and by reference incorporated herein is a true and correct copy filed with the Board for Financing Water Projects by the Nevada Division of Environmental Protection.

Section 5. This resolution shall be effective on its passage and approval.

PASSED, ADOPTED AND SIGNED March 14, 2007.

Chairman
Board for Financing Water Projects

Attest:

Adele Basham, Technical Assistant

Attachment C

Summary of Public Workshops, Comment and Participation on Intended Use Plan and Project Priority List

A public workshop on the 2007 Priority List was held on March 9, 2007. No objections were offered with respect to the priority list. The Board of Financing Water Projects approved the 2007 Priority List at their meeting on March 14, 2007. The Board meeting provided additional opportunity for public input. Notice of the public workshop on priority list was published in newspapers throughout the state and sent to all applicants on the priority list.

A public notice soliciting comment on the Draft 2008 Intended Use Plan (IUP) was published in newspapers throughout the state. The public notice was also sent to a mailing list of interested parties. The Draft 2008 IUP was made available on NDEP's web page.

Attachment D

Historical Funding

| Federal Fiscal Year | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Capitalization Grant | \$12,558,800 | \$7,121,300 | \$7,463,800 | \$7,757,000 | \$7,789,100 | \$8,052,500 | \$8,004,100 | \$8,303,100 | \$8,285,500 | \$8,229,300 | \$8,229,000 | \$8,229,000 |
| Account for Set-Aside Programs | | | | | | | | | | | | |
| 4% Set-Aside-Administration | \$502,352 | \$284,852 | \$298,552 | \$310,280 | \$311,564 | \$322,100 | \$320,164 | \$332,124 | \$331,420 | \$329,172 | \$329,160 | \$329,160 |
| 10% Set-Aside-PWSS Management | | | | | | | | | | | | |
| 1993 State Expenditure | \$238,129 | \$238,129 | \$238,129 | \$238,129 | \$238,129 | \$238,129 | \$238,129 | \$238,129 | \$238,129 | \$238,129 | \$238,129 | \$238,129 |
| State Overmatch Expenditure in Respective FFY | \$271,629 | \$300,772 | \$212,199 | \$284,506 | \$284,506 | \$304,822 | \$347,852 | \$361,720 | \$308,869 | \$0 | \$0 | \$0 |
| State Credit from Ground Water Discharge Permits | \$0 | \$173,229 | \$260,266 | \$146,871 | \$280,370 | \$262,299 | \$214,429 | \$167,077 | \$0 | \$403,898 | \$396,992 | \$418,916 |
| Subtotal of State Credit | \$509,758 | \$712,130 | \$684,665 | \$669,506 | \$803,005 | \$805,250 | \$800,410 | \$766,926 | \$546,998 | \$642,027 | \$635,121 | \$657,045 |
| Federal Funds Matching State Credit | \$509,758 | \$712,130 | \$684,665 | \$669,506 | \$803,005 | \$805,250 | \$800,410 | \$766,926 | \$546,998 | \$642,027 | \$635,121 | \$657,045 |
| Appropriation for State Match | \$49,248 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds Matching Appropriation for State Match | \$49,248 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Available funds for 10% Set-Aside | \$608,254 | \$712,130 | \$684,665 | \$669,506 | \$803,005 | \$805,250 | \$800,410 | \$766,926 | \$546,998 | \$642,027 | \$635,121 | \$657,045 |
| State Program Management | \$95,759 | \$209,202 | \$127,500 | \$233,933 | \$222,527 | \$263,955 | \$476,998 | \$476,998 | \$476,998 | \$572,027 | \$570,921 | \$597,045 |
| Technical Assistance and Education | \$201,338 | \$194,034 | \$150,000 | \$156,000 | \$118,454 | \$36,444 | \$36,964 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Underground Injection Control Program | \$227,618 | \$255,854 | \$364,665 | \$300,000 | \$182,929 | \$408,851 | \$199,000 | \$249,928 | \$0 | \$0 | \$0 | \$0 |
| Develop and Implement Capacity Strategy | \$3,500 | \$2,500 | \$2,500 | \$2,500 | \$115,000 | \$96,000 | \$80,000 | \$20,000 | \$50,000 | \$50,000 | \$52,200 | \$60,000 |
| Operator Certification | \$80,040 | \$50,540 | \$40,000 | \$50,000 | \$140,000 | \$0 | \$7,448 | \$20,000 | \$20,000 | \$20,000 | \$12,000 | \$0 |
| Totals | \$608,254 | \$712,130 | \$684,665 | \$742,433 | \$778,910 | \$805,250 | \$800,410 | \$766,926 | \$546,998 | \$642,027 | \$635,121 | \$657,045 |
| Remainder to Loan Fund | \$0 | \$1 | \$0 | \$72,927 | \$24,095 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2% Set-Aside-Tech. Assistance to Small Systems | \$223,608 | \$142,426 | \$149,276 | \$155,140 | \$155,782 | \$161,050 | \$160,082 | \$166,062 | \$165,710 | \$164,586 | \$164,580 | \$164,580 |
| 15% Set-Aside | | | | | | | | | | | | |
| Source Water Protection Loans | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Capacity Assistance | \$59,267 | \$100,000 | \$100,000 | \$100,000 | \$247,184 | \$328,718 | \$400,205 | \$325,475 | \$250,000 | \$250,000 | \$350,000 | \$305,395 |
| SWAP | \$1,255,880 | Not Eligible | Not Eligible | Not Eligible | Not Eligible | Not Eligible | Not Eligible | Not Eligible | Not Eligible | Not Eligible | Not Eligible | Not Eligible |
| WHPP | \$150,000 | \$240,000 | \$240,000 | \$240,000 | \$200,000 | \$100,000 | \$800,410 | \$676,122 | \$708,951 | \$629,746 | \$614,250 | \$664,250 |
| Totals | \$1,465,147 | \$340,000 | \$340,000 | \$340,000 | \$447,184 | \$428,718 | \$1,200,615 | \$1,001,597 | \$958,951 | \$879,746 | \$964,250 | \$969,645 |
| Account for Set-Asides--Subtotal | \$2,799,361 | \$1,479,408 | \$1,472,493 | \$1,547,853 | \$1,693,440 | \$1,717,118 | \$2,481,271 | \$2,266,709 | \$2,003,079 | \$2,015,531 | \$2,093,111 | \$2,120,430 |
| Account for the Revolving Fund | \$9,759,439 | \$5,641,893 | \$5,991,307 | \$6,209,147 | \$6,095,660 | \$6,335,382 | \$5,522,829 | \$6,036,391 | \$6,282,421 | \$6,213,769 | \$6,135,889 | \$6,108,570 |
| Required 20% State Match | \$2,511,760 | \$1,424,260 | \$1,492,760 | \$1,551,400 | \$1,557,820 | \$1,610,500 | \$1,600,820 | \$1,660,620 | \$1,657,100 | \$1,645,860 | \$1,645,800 | \$1,645,800 |
| Federal Funds | \$9,808,687 | \$5,641,893 | \$5,991,307 | \$6,209,147 | \$6,095,660 | \$6,335,382 | \$5,522,829 | \$6,036,391 | \$6,282,421 | \$6,213,769 | \$6,135,889 | \$6,108,570 |
| Account for the Revolving Fund--Subtotal | \$12,320,447 | \$7,066,153 | \$7,484,067 | \$7,760,547 | \$7,653,480 | \$7,945,882 | \$7,123,649 | \$7,697,011 | \$7,939,521 | \$7,859,629 | \$7,781,689 | \$7,754,370 |
| Cumulative Totals | \$12,320,447 | \$19,386,599 | \$26,870,666 | \$34,631,213 | \$42,284,693 | \$50,230,575 | \$57,354,224 | \$65,051,235 | \$72,990,756 | \$80,850,385 | \$88,632,074 | \$96,386,444 |

Attachment E

Nevada National USEPA Strategic Plan Commitment

| Measure | Narrative | R9 Bid | Nevada Target |
|------------------|--|--|--|
| 2.1.1 | % of Population served by CWS meeting all applicable drinking water standards | 95% | 95% |
| A | Population served by CWS meeting standards in effect as of 12/2001 | 95% | 95% |
| B | Population served by CWS meeting standards with a compliance date of 1/2002 or later | 95% | 95% |
| C | CWS meeting standards in effect as of 12/2001 | 90% | 90% |
| D | CWS meeting standards with a compliance date of 1/2002 or later | 90% | 90% |
| F | % of CWS that achieve minimized risk to public health via <u>source water protection</u> | 10% | 10% |
| SDW-1 | % of CWS that have undergone a sanitary survey within the past 3 yrs (5 for outstanding performers) as required under IESWTR and LT1 rules | 100% | 100% |
| SDW-6 | Drinking Water State Revolving Fund: Utilization rate | 84% | 84% |
| SDW-9 a, b, c, d | Class I, II, III, in significant violation, and V Wells in violation that are addressed by the UIC Program | a) 100% b) 95% c) 100% d) 50% | a) 100% b) 95% c) 100% d) 50% |
| SDW-10 | Class V Motor Vehicle Waste Disposal Wells closed or permitted | 75% | 75% |
| L | Impaired water bodies restored | 12 (annual target) 52 (cumulative target) | |
| WQ-2(a,b) | States/Territories adopting nutrient criteria and/or on schedule to adopt | a. 4 b. 4 | |
| WQ-3 | States/Territories incorporating biological criteria in standards | 1 | |
| WQ-5 | States/Territories submitting, within preceeding 3 yrs, new or revised WQS acceptable to EPA reflecting new information | 3 | |
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|---------------|--|------------------------------|------------------------------|
| WQ-7 | States/Territories implementing monitoring strategies on schedule | 7 | |
| WQ-10 | States/Territories providing integrated monitoring/listing reports | 4 | |
| WQ-11 | States using assessment database | 4 | |
| WQ-13 (a,b) | Total TMDLs, and TMDLs established by States, on pace | a. 150 b. 148 | |
| WQ-18 | NPDES permits current | 87% | 80% |
| WQ-19 (a,b,c) | Phase 1 & Phase II storm water permits issued & current for a) ind gen'l b)const.gen'l c) MS4 gen'l and indiv. | a. 100% b. 100% c. 75% | a. 100% b. 100% c. 75% |
| WQ-24 | Clean Water State Revolving Fund: Utilization Rate | 95% | 95% |
| WQ-30 | Permits providing for trading | 7 | 1 |
| WT-4 | States where in wetland condition measured | 0 | |